

May 8, 2018 Council Meeting

The regular meeting of the Council of the City of Martinsville, Virginia was held on May 8, 2018 in Council Chambers, Municipal Building, at 7:30 PM with Mayor Gene Teague presiding. Council Members present included Gene Teague, Sharon Hodge, Jennifer Bowles Chad Martin and Kathy Lawson. Staff present included City Manager Leon Towarnicki, City Attorney Eric Monday, Assistant City Manager Wayne Knox, Clerk of Council Karen Roberts, Finance Director Linda Conover, Building Inspector Kris Bridges, Fleet Manager Lane Shively, Water Resources Andy Lash, Treasurer Cindy Dickerson, Police Chief Eddie Cassady and members of the Police Department, School Superintendent Zebedee Talley, Fire Chief Ted Anderson, Property Maintenance Inspectors Andy Powers and Mark Price.

Mayor Teague called the meeting to order and advised Council would go into Closed Session beginning at 7:00 PM. In accordance with section 2.1-344 (A) Code of Virginia (1950, and as amended) and upon a motion by Council Member Hodge, seconded by Council Member Bowles, with the following 5-0 recorded vote: Mayor Teague, aye; Council Member Hodge, aye; Council Member Bowles, aye; Vice Mayor Martin, aye; and Council Member Lawson, aye, Council convened in Closed Session to discuss the following matters: (A) Appointments to boards and commissions as authorized by Subsection 1, (B) Discussion of the award of a public contract involving the expenditure of public funds, including interview of bidders or offerors and discussion of the terms or scope of such contract, where discussion in an open session would adversely affect the bargaining position or negotiating strategy of the public body as authorized by Subsection 29, and (C) Consultation with legal counsel and briefings by staff members, attorneys or consultants pertaining to actual or probable litigation, or other specific legal matters requiring the provision of legal advice by such counsel, as authorized by Subsection 7. At the conclusion of Closed Session, each returning member of Council certified that (1) only public business matters exempt from open meeting requirements were discussed in said Closed Session; and (2) only those business matters identified in the motion convening the Closed Session were heard, discussed, or considered during the Session. A motion was made by Council Member Hodge; seconded by Council Member Lawson, with the following 5-0 recorded vote in favor to return to Open Session: Council Member Bowles, aye; Mayor Teague, aye; Council Member Hodge, aye; Vice Mayor Martin, aye; and Council Member Lawson, aye.

Council Member Bowles made a motion to reappoint Ashby Pritchett to the Architectural Review Board for a 3-year term ending March 31, 2021. Council Member Hodge seconded the motion with all members voting in favor.

Vice Mayor Martin made a motion to reappoint Carol Kendrick to the Henry County-Martinsville Joint Social Services Board for a 4-year term ending March 31, 2022. Council Member Lawson seconded the motion with all members voting in favor.

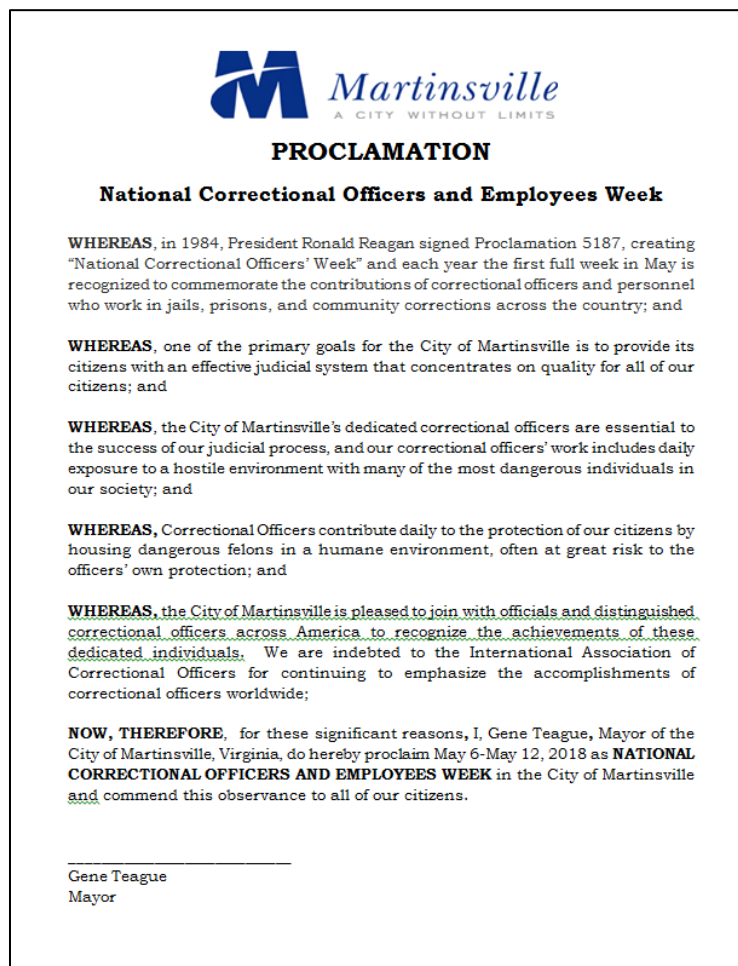
Per Mayor Teague, no action was taken on Closed session items B or C.

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Following the Pledge to the American Flag and invocation by Council Member Bowles, Teague welcomed everyone to the meeting.

Consider approval of minutes of March 13, 2018 Council Meeting, March 19, 2018 Neighborhood Informational Meeting, March 27, 2018 Council Meeting, and April 10, 2018 Council Meeting – Council Member Bowles requested that a grammatical correction be made to the March 27, 2018 minutes. Council Member Hodge made a motion to approve the minutes as amended; Council Member Lawson seconded the motion with all Council Members voting in favor.

Read and present a proclamation recognizing the week of May 6 through May 12, 2018 as National Correctional Officers and Employees Week in the City of Martinsville – Vice Mayor Martin read the proclamation that was presented to Lieutenant Laura Hopkins on behalf of the Sheriff's Department.



Consider presentation of a proclamation regarding National Police Week, 2018 and Peace Officer's Memorial Day – Council Member Hodge read the proclamation, which was presented to Police Chief Eddie Cassidy and other police officers in attendance. Cassidy thanked Council for the proclamation and advised that the May 16 National Police Week events will be in Henry County this year and the public is invited.



PROCLAMATION

NATIONAL POLICE WEEK 2018 & PEACE OFFICERS' MEMORIAL DAY

WHEREAS, the Congress and President of the United States have designated May 15 as Peace Officers' Memorial Day, and the week in which it falls as National Police Week; and

WHEREAS, the men and women of the Police Department and the Sheriff's Department of the City of Martinsville are instrumental in creating peace of mind to all the citizenry through their many efforts to enhance public safety; and

WHEREAS, it is incumbent on all our citizens to recognize, know and understand the duties, responsibilities, hazards, dedication, and sacrifices of the men and women of the Police Department and the Sheriff's Department of the City of Martinsville, and it is also incumbent upon each law enforcement officer to serve the people by safeguarding life and property, by protecting against violence and disorder, and by protecting the innocent against deception and the weak against oppression; and

WHEREAS, the Police and Sheriff Departments of the City of Martinsville are professional organizations that remain abreast in the latest scientific applications of criminalistics;

WHEREAS, I call upon all citizens of the City of Martinsville to observe May 15th as Peace Officers' Memorial Day to honor those men and women who, through their dedicated service and courageous deeds, have lost their lives or been disabled in the performance of their duties. I especially want to recognize Martinsville Policeman George F. Carter, who lost his life in the performance of his duty on June 14, 1919 while he was attempting to apprehend gamblers. I would also like to recognize Martinsville Police Officer Jonathan Bowling who lost his life on January 26, 2005 while fighting in Iraq during Operation Iraqi Freedom.

NOW THEREFORE, I, Gene Teague, Mayor of Martinsville, call upon all citizens of the City of Martinsville and upon all patriotic, civic and educational organizations to observe the week of May 13 through May 19, 2018, as National Police Week with appropriate ceremonies in which all our people may join in recognizing the women and men, both past and present, who by their faithful and loyal service and devotion to their charge have rendered a dedicated service to our community and the citizens within it, and in performing these duties have established an enduring reputation for preserving the rights and security of all the citizens of Martinsville.

M. Gene Teague
Mayor

Present awards to Martinsville Middle School students who recently participated in Virginia Municipal League's "If I Were Mayor Contest" – Mayor Teague detailed the contest that is offered to Virginia seventh graders and although no Martinsville City students placed, Council wanted to recognize some of the more outstanding essays. Teague invited the top three students to the Council bench. Teague announced 3rd place Ja'Kiyah Gravely, 2nd place Vanessa Aleman and 1st place winner Claire Coleman, awarding each a certificate and a cash reward. City Manager Towarnicki explained that all three students were in the same seventh grade class under the instruction of City teacher Ms. Rorrer. Dr. Talley, School Superintendent thanked Council and said that Council's support gives the students added incentive. Council Member Bowles recognized Teacher Appreciation week. Ms. Rorrer said she is grateful to teach the students in her class every day.



Read and present a proclamation recognizing May, 2018 as National Bike Month, May 14-18, 2018 as National Bike Week, and May 18, 2018 as Bike to Work Day – Council Member Lawson read the proclamation. Tommy Smith of the Henry County Bike Club accepted the proclamation and highlighted some of the club commitments to the community. Smith thanked the police department for their support. Smith said the addition of the Dick and Willie Trail encourages people to participate in biking.



PROCLAMATION

**National Bike Month May, 2018
National Bike Week May, 14 – 18, 2018
National Bike to Work Day, May 18, 2018**

WHEREAS, citizens and visitors of all ages engage in bicycling for transportation, recreation, fitness, and sport throughout our community; and

WHEREAS, bicycling offers a unique perspective from which our community's scenic beauty and culture can be discovered; and

WHEREAS, using a bicycle as a mode of transportation helps to reduce pollution and congestion and improve cyclists' health; and

WHEREAS, the Martinsville and Henry County area has a growing number of cycling enthusiasts who are frequently observed biking along the streets and highways, back roads, and trails ; and

WHEREAS, the Henry County Bike Club, an active local non-profit organization that has been in existence since 2008, regularly schedules rides and events throughout our area for all levels of participants;

NOW THEREFORE, I, Gene Teague, Mayor of the City of Martinsville do hereby proclaim May, 2018 as National Bike Month, May 14 – 18, 2018 as National Bike to Work Week, and May 18, 2018 as Bike to Work Day and I urge all citizens in Martinsville to consider participating in age and skill-appropriate biking activities as a source of transportation, recreation, and fitness.

M. Gene Teague
Mayor

Consider presentation of a proclamation recognizing May as Building Safety Month –
Council Member Bowles read the proclamation, which was presented to Building Inspector Kris Bridges. Bridges thanked Council.



Proclamation

Building Safety Month Proclamation – May 2018

WHEREAS, the City of Martinsville, Virginia is committed to recognizing our growth and strength depends on the safety and economic value of the homes, buildings and infrastructure that serve our citizens, both in everyday life and in times of natural disaster, and;

WHEREAS, our confidence in the structural integrity of these buildings that make up our community is achieved through the devotion of vigilant guardians—building safety and fire prevention officials, architects, engineers, builders, tradespeople, design professionals, laborers and others in the construction industry—who work year-round to ensure the safe construction of buildings, and;

WHEREAS, these guardians are dedicated members of the International Code Council, a U.S. based organization, that brings together local, state and federal officials that are experts in the built environment to create and implement the highest-quality codes to protect us in the buildings where we live, learn, work, worship, play, and;

WHEREAS, our nation benefits economically and technologically from using the International Codes® that are developed by a national, voluntary consensus codes and standards developing organization, our government is able to avoid the high cost and complexity of developing and maintaining these codes, which are the most widely adopted building safety and fire prevention codes in the nation, these modern building codes include safeguards to protect the public from natural disasters such as hurricanes, snowstorms, tornadoes, wildland fires, floods and earthquake, and;

WHEREAS, Building Safety Month is sponsored by the International Code Council to remind the public about the critical role of our communities' largely unknown guardians of public safety—our local code officials—who assure us of safe, efficient and livable buildings that are essential to keep America great, and;

WHEREAS, "Building Codes Saves Lives" the theme for Building Safety Month 2018, encourages all Americans to raise awareness of the importance of building safe and resilient construction; fire prevention; disaster mitigation, and new technologies in the construction industry. Building Safety Month 2018 encourages appropriate steps everyone can take to ensure that the places where we live, learn, work, worship and play are safe, and recognizes that countless lives have been saved due to the implementation of safety codes by local and state agencies, and,

WHEREAS, each year, in observance of Building Safety Month, Americans are asked to consider the commitment to improve building safety and economic investment at home and in the community, and to acknowledge the essential service provided to all of us by local and state building departments, fire prevention bureaus and federal agencies in protecting lives and property.

NOW, THEREFORE, I, Gene Teague, Mayor of the City of Martinsville, Virginia, do hereby proclaim the month of May 2018 as Building Safety Month and I encourage our citizens to recognize the importance of local building code enforcement in making our City better for all.

Gene Teague, Mayor

Read and present a proclamation recognizing May 6-12, 2018 as Public Service Recognition Week – Mayor Teague read the proclamation, which was presented to City Manager Towarnicki.



PROCLAMATION

Public Service Recognition Week May 6 – 12, 2018

WHEREAS, Americans are served every single day by public servants at the federal, state, county and city levels. These unsung heroes do the work that keeps our nation working; and

WHEREAS, Public employees take not only jobs, but oaths; and

WHEREAS, Many public servants, including military personnel, police officers, firefighters, border patrol officers, embassy employees, health care professionals and others, risk their lives each day in service to the people of the United States and around the world; and

WHEREAS, Public servants include teachers, doctors and scientists . . . train conductors and astronauts . . . nurses and safety inspectors . . . laborers, computer technicians and social workers . . . and countless other occupations. Day in and day out they provide the diverse services demanded by the American people of their government with efficiency and integrity; and

WHEREAS, Without these public servants at every level, continuity would be impossible in a democracy that regularly changes its leaders and elected officials;

NOW THEREFORE, I, Gene Teague, Mayor of the City of Martinsville do hereby acknowledge and proclaim that May 6 – 12, 2018 is Public Service Recognition Week and I call upon all citizens to recognize the accomplishments and contributions of government employees at all levels — federal, state, county and city.

M. Gene Teague
Mayor

Continue the public hearing on the FY18-19 Budget and consider approval of FY19 Budget Ordinance on second reading – Mayor Teague explained that the public hearing would continue from the previous meeting. City Manager Towarnicki presented highlights of the proposed budget and revisions discussed at the previous Council meeting as well as requested adjustments. Towarnicki asked Council to leave the money from the unneeded sewer camera in the budget and not reassign it to another department. Towarnicki detailed the process and timeframe for painting the tanks throughout the City. Council Member Hodge questioned the parking lot lease agreements for other parking lots throughout the City. Council Member Lawson and Vice Mayor Martin agreed that the City should continue to maintain the parking lot. Vice Mayor Martin asked for details on the requirements for painting the tanks. Towarnicki explained that it is a specialized process, the tanks are elevated, and it requires specialized equipment since the tanks are round and the paint must be applied a specific way. Mayor Teague opened the public hearing. Heidi Pinkston of Lanier Road is the executive director for Piedmont Arts and described the services provided to the community. Pinkston asked Council to restore funding for the upcoming year. Mayor Teague closed the public hearing. Vice Mayor Martin made a motion to take the \$3,000 from the parking lot and add it to the Piedmont Arts funding. Council Member Lawson said she was ok with rounding Piedmont Arts to \$15,000; Vice Mayor Martin amended his motion to accommodate Lawson's

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suggestion and provide \$15,000 funding to Piedmont Arts. Council Member Bowles seconded the motion. Council Member Hodge explained that she was not in support for using taxpayer money to support outside agencies. Teague explained that the day would come that Council would not be able to fund Piedmont Arts. Four Council Members voting in favor, Council Member Hodge voted against. Council Member Bowles made a motion to add \$7,900 VML dues to the budget; Council Member Lawson seconded the motion. Council Member Bowles explained VML to the residents and why it is important and amended her motion to increase the VML funding by 3%, Council Member Hodge seconded the motion with all voting in favor. Council Member Bowles made a motion that \$125,000 from the wastewater budget be applied to reduce the electric fund thus reducing the power rate increase; motion dies for lack of second. Council Member Lawson made a motion to accept other adjustments as proposed, Council Member Hodge seconded the motion with all Council members voting in favor. Council Member Hodge made the motion to approve and adopt the budget as amended on second reading; Council Member Lawson seconded the motion with a roll call vote: Bowles, nay; Martin, nay; Teague, aye; Lawson, aye; and Hodge, aye.

SUMMARY STATEMENT OF BUDGET ESTIMATES			
2018-2019			
(Rev. 4/25/18)			
FUND	PROJECTED REVENUES	BUDGETED EXPENDITURES	CHANGES FUND BALANCE
General	\$29,258,832	\$30,900,893	(\$1,642,061)
Meals Tax	\$2,187,978	\$2,287,978	(\$100,000)
Capital Reserve	\$959,021	\$1,059,021	(\$100,000)
Refuse	\$2,242,000	\$2,442,000	(\$200,000)
Telecommunications	\$1,931,728	\$1,931,728	\$0
Water	\$3,599,279	\$4,223,949	(\$624,670)
Sewer	\$4,154,512	\$4,689,210	(\$534,698)
Electric	\$21,018,640	\$21,453,640	(\$435,000)
Cafeteria*	\$1,501,862	\$1,680,362	(\$178,500)
School Operating**	\$22,547,099	\$22,547,099	\$0
CDBG	\$10,930	\$300	\$10,630
TOTALS:	\$89,411,881	\$93,216,180	(\$3,804,299)
*Cafeteria - Provided by School Personnel			
**School Operating - As recommended by City Manager			
Tax Rates (unchanged):			
Real Estate:	\$1.0621 per \$100 assessed value		
Personal Property:	\$2.30 per \$100 assessed value		
Machinery & Tools:	\$1.85 per \$100 assessed value		
Proposed for Electric:			
Increase in Power Cost Adjustment (PCA) of \$.00556; average increase of 4.64%			
Adjustments:			
General Fund:			
Park Lot Rent:	(3,300)		
Adj. LODA Ins.:	(3,480)		
Add Laserfiche Ex:	13,880		
Add VML Dues:	7,900		
Total Expense Adj's:	15,000		
Adj. Fees Revenue	15,000		
Net Adjustments:	0		

Sewer Fund:			
Remove Cap. Exp	(125,000)		
Net Adjustment:	(125,000)		

Conduct a public hearing regarding an amendment to the City's Zoning Ordinance related to the issue and use of open space – Community Development Director Wayne Knox summarized steps taken regarding the zoning ordinance regarding open spaces. Planning Commission Chairman Martin explained the Planning Commission's recommendation regarding Council's request and felt the decision should be left "by right", presenting a legal document developed by contractors which includes the trail topic. Changing the ordinance does not prevent a third party from purchasing the land or disturbing close properties. What it does is take away "by right" development and causes future development to become an issue to the City. It creates the image that the City is not open to future development and the

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Planning Commission does not want to see changes to the ordinance. Mayor Teague opened the public hearing. Ural Harris, 217 Stuart Street supports the definition and what was presented to the Planning Commission with minor changes. Harris said he had suggested those changes three times to the Planning Commission but did not receive a second and does not feel that Council wants the same crisis as before. Mark Hardison, 1303 Country Club said with Council Members and the Planning Commission members are elected and should make decisions in the best interest of the residents. He does not see development but does see residents leaving the City. Everyone agrees that the ball was dropped on the trail issues and it is a gamble to assume that it will not happen again. Hardison pleads with Council for a change to the ordinance and more transparency going forward. Crystal Caldwell, 1303 Country Club asked if the ordinance enforcement would be left solely up to the zoning administrator and feels there should be more layers to approve and monitor such situations. Knox explained the only other issue was over 20 years ago with a townhouse development off Spruce Street regarding the style homes, a community center and a swimming pool to be built and resident concerns. Knox explained that when a proposal is presented it is considered by a team, not just the zoning administrator. Caldwell said that she would like to trust Council but she would prefer to see additional "checks and balances" in the future to prevent those issues from happening again. Joe Martin, 617 East Church Street explained that the Planning Commission had not seen the plan until 2018; the walking trail was not brought to the commission until this year. Mayor Teague closed the public hearing. Council Member Lawson explained that there is nothing in the ordinance verbiage that would prevent any County or entity from coming into the City and developing land. Council Member Hodge expressed concern that the zoning administrator is an office and the proposal would be under review of the office and not an individual. She requested a level of review and not just "by right". Council Member Bowles agrees that Council cannot stop development but residents should be kept informed. Knox says any developer is encouraged to talk to surrounding property owners before taking steps to develop their property. Teague says staff has presented a solution that is beneficial to developers and to the surrounding property owners. Council Member Bowles made a motion to adopt the ordinance as presented; Council Member Hodge seconded the motion. Council Member Lawson expressed concern regarding verbiage and the fact that the zoning administrator does not want sole responsibility for making the decision. Lawson recommends that more than the individual position be listed in the ordinance. Teague explained that if the zoning administrator is not comfortable making the decision by themselves, they have the opportunity to consult with staff or other departments as necessary to help make the decision. Knox explained that in the beginning any proposal goes in front of a pre-development team. Roll call vote: Lawson, nay; Hodge, aye; Bowles, aye, Martin, aye; and Teague, aye.



ORDINANCE 2018-Z-1
Zoning, Defining Open Space

BE IT ORDAINED by the Council of the City of Martinsville, Virginia, in regular session held on May 22, 2018 that Appendix B, Section II of the City Code, the Zoning Ordinance, be amended as follows:

Repealing and reenacting the definition of “open space,” to read as follows:

OPEN SPACE - areas intended to provide light, air, recreational, or scenic beauty. Open space shall, in general, be available for entry and use by the owners, residents or occupants of the property or development, but may include a limited proportion of space so located and treated as to enhance the amenity of the property or development by providing landscaping features, screening for the benefit of the occupants or those in neighboring areas, or a general appearance of openness. Open space may include, but is not limited to lawns, decorative plantings, walkways, active and passive recreation areas, playgrounds, fountains, swimming pools, undisturbed natural areas, agriculture, wooded areas, water bodies and those areas where landscaping and screening are required by the provisions of this ordinance. Open space shall not include driveways, parking lots, or other vehicular surfaces, any area occupied by a building, nor areas so located or so small as to have no substantial value for the purposes stated in this definition.

Enacting a new definition, “open space, public,” reading as follows:

OPEN SPACE, PUBLIC - any open space which is dedicated or conveyed to (a) the City or to (b) by any other individual or entity for use by the general public as open space. In all instances involving ownership under (b), open space which does not adjoin any contiguous parcels shall remain a use by right; for any open space adjoining any contiguous parcel, however, a description with supporting documentation of any such open space shall be submitted Zoning Administrator for review. The Zoning Administrator shall enjoy discretionary authority to, after due consideration of the Comprehensive Plan and the effect of such open space on adjoining parcels and the neighborhood in general, either allow the use by right or alternatively require an application for a special use permit.

Attest:

Karen D. Roberts, Clerk of Council

Date Adopted

Date Effective

Consider approval of a lease granting Piedmont Community Services use of the City-owned former Housing Office/Police Academy located at 605 Fourth Street – City Manager Towarnicki summarized the previous plans and discussions regarding the use of the former Housing Office by Piedmont Community Services. The building is being cleaned out with a potential June 1, 2018 moving in date. Voting would continue at this location. Greg Preston of Piedmont Community Services recognized his staff also in attendance and provided background about the organization. Supervisors and staff members would occupy the office during the week from 8:00am-5:00pm; it will be used as office space only and no services will be provided at this location. Council Members offered their support of Piedmont Community Services and the new use of the building. Council Member Lawson made a motion to approve the lease; Council Member Bowles seconded the motion with all Council members voting in favor.

LEASE

This Lease with option to purchase is made this ____ day of May, 2018, by and between Piedmont Community Services, Inc. a Virginia nonstock, nonprofit corporation of Martinsville, Virginia, referred to herein as "Lessee", and the City of Martinsville, a Virginia municipal corporation of Martinsville, Virginia, referred to herein as "Lessor".

WITNESSETH:

WHEREAS, Lessor is the owner of a certain parcel or tract of land in the City of Martinsville, located at 605 Fourth Street, and the City of Martinsville desires to lease same with option for purchase, at the end of one year of renting with the mutual promises of the parties and the consideration and covenants set out herein, it is agreed as follows:

1. Premises: The subject premise is that certain tract located in the City of Martinsville known as 605 Fourth Street, Martinsville, Virginia. Specifically excluded is the playground located within the curtilage of the premises, which is not owned by Lessor.

2. Term: The term of this Lease shall be one (1) year beginning with the first day of July, 2018 and ending on the last day of June, 2019. Notwithstanding the foregoing, Lessee shall occupy the premises June 1, 2018, subject to the terms hereof. This Lease shall automatically renew unless notice of intention to not renew is delivered by either party to the other at least 90 days in advance of the end of the term. Either party may terminate this Lease at any time by giving ninety (90) days written notice to the other party.

3. Rent: The rent for the subject premises shall be ONE THOUSAND FIVE HUNDRED Dollars (\$1,500.00) per month, payable on the first of each month and

beginning with the month of June, 2018. Lessee shall enjoy an option to purchase subject premises upon 90 days notice to Lessor; the purchase price shall be the then existing appraised value of the premises, plus 5%, plus any maintenance costs incurred by Lessor as mandated by Section 4 hereof. Any lease payments tendered by Lessee to Lessor prior to the exercise of said option shall be applied to the purchase price. Lessee shall bear the cost for all utility services to the premises. Lessee may be given credit toward lease payments at Lessor's discretion, for any improvement costs incurred by Lessee, upon submission of receipts for Lessor's review and approval.

4. Maintenance: Maintenance, security and repair of the subject premises is solely and exclusively the duty and responsibility of Lessee, which accepts the subject premises "as is." Lessor shall have no duty of any kind to either improve or maintain the premises with the exception of maintenance repairs to the roof, structural integrity, or utility systems of the structure located upon the premises. Prior to erecting any partition walls within said structure or signage upon said structure, Lessee shall obtain prior written approval of Lessor, which shall not be unreasonably withheld.

5. Use as Polling Site: Lessee acknowledges Lessor may continue to use the premises as a polling site. Lessee shall, for the day preceding, the day of and the day following any general, special, or primary election—vacate such portion of the premises as may be necessary for the conduct of such election and shall allow access by the general public and the General Registrar of the City of Martinsville, her agents, employees and assigns. To the extent any disagreement between Lessee and Lessor as to which portions of the premises are necessary for the conduct and any such election, the decision of the General Registrar shall govern.

6. Liability and Indemnity: Lessee agrees to maintain liability coverage on the premises and to be solely and exclusively responsible for any and all liability arising out of or from the use of the subject premises for any incident or accident during the term of this Lease, but this language is not to be construed as relieving any person who suffers either property damage or personal injury arising out of or from the use of the subject premises from proving a case of liability against Lessee. Lessee shall defend, indemnify and hold Lessor harmless for any claim of any kind or nature relating to the subject premises during the term of this Lease. Lessor shall maintain casualty coverage on the premises; Lessee shall be responsible for casualty coverage on Lessee's personalty located upon the premises; Lessor shall bear no responsibility for loss or damage to any such personalty under any circumstances.

7. Complete Agreement: This document contains the entire agreement of the parties and may ~~amended~~ only by a written document signed by all parties.

LESSEE: _____

LESSOR: THE CITY OF MARTINSVILLE

By: _____

Hear information from the City Attorney regarding the City's delinquent collection process – City Attorney Monday presented a brief PowerPoint regarding action now being taken to collect delinquent taxes. The compliance rate of those who pay taxes on time is 98%, which is extremely high; Treasurer Cindy Dickerson and her staff are very good at what they do.

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Council Member Hodge pointed out that the delinquent tax owed to the City is \$1.5million although the percentage of residents who owe is only 2%. Mayor Teague explained that some other jurisdictions have a harsher plan.

CITY OF MARTINSVILLE COLLECTION POLICY

REAL ESTATE TAXES

Note: Any delinquent amounts are always included in a current tax bill.

TREASURER

- Mails bills in October for taxes due in December.
- After December due date, mails delinquent notices due in January.
- Mails bills in April for taxes due in June.
- After June due date, mails delinquent notices due in July.
- After delinquent payment dates pass, turns list in to State for debt set-off program.
- Treasurer also processes any property/assets discovered for tax lien.
- Treasurer also grants payments plans of up to two years.

CITY ATTORNEY

- Scans MUNIS for all accounts 2 years or older; collect all amounts due, not just 2 yrs+.
- Cross-reference MUNIS to remove accounts on payment plans with Treasurer. Treasurer may also refer defaulted payment plans to City Attorney for collection.
- Cross-reference MUNIS for any SSNs and turn over to Treasurer for additional debt set-off not already issued.
- Send first mailer to all delinquents, offers reduced 10% collection fee & threatens aggressive action. All Virginia residents ignoring first mailer are issued summons to appear with asset information (real estate, car, accounts, etc.). Those failing to appear are issued Show Cause by Circuit Court. Samples of all notices will be sent to Treasurer.
- Liens/seizure of any discovered property, assets, accounts, paycheck are issued.

All accounts remaining delinquent, and not current on a payment plan, after 3 years are subject to auction.

Payment in full is required before auction is halted. Priority:

1. any account \$5K+
2. out-of-state owner
3. in-state absentee owner
4. owner-occupied.

REPORTING

1. Each May to Treasurer and Finance concerning accounts considered uncollectible to be written off.
2. After each mailed notice, turn over all forwarding addresses to Commissioner of Revenue for processing of incorrect/expired addresses.
3. Any delinquent account over 30 days may be publicized on WGTV 21 and city website.
4. Any delinquent account turned over to City Attorney will be publicized on WGTV 21 and city website.

PAYMENT PLANS

- Discretionary. \$500-\$5K, 10% down & max of 24 payments. Over \$5K, 20% down. Minimum down & monthly payments of \$100. Grace periods allowed on case-by-case basis with prior notice. Default results in plan termination and auction.
- All delinquent accounts continue to accrue interest and penalties until paid in full. Any liens, tax set offs, DMV stops imposed by Treasurer remain in place until payment in full

PERSONAL PROPERTY TAXES

Note: Any delinquent amounts are always included in a current tax bill.

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TREASURER:

- Same as Real Estate, except DMV stops are also used.

CITY ATTORNEY:

- Same as Real Estate, but note: while PP taxes are also a lien on real estate-not all accounts will have real estate subject to auction.

PAYMENT PLANS:

- Discretionary. \$500+ and *not on an RE plan*. Minimum down & monthly payments of \$100. Grace periods allowed on case-by-case basis with prior notice. Three defaults result in plan termination.

Consider approval of Consent Agenda – Council Member Bowles made a motion to approve the consent agenda as presented; Council Member Lawson seconded the motion with all Council Members voting in favor.

BUDGET ADDITIONS - TRANSFER & APPROPRIATION				
May 8, 2018				
ORG	OBJECT	DESCRIPTION	DEBIT	CREDIT
FY18				
INTERFUND TRANSFER:				
01812242	506040	Miscellaneous Expense - WPBDC Program	18,050	
16103937	451590	Transfer from General Fund		18,050
Transfer of annual WPBDC contribution to assist with building renovations.				
Total Interfund Transfers:			18,050	18,050
CAPITAL RESERVE FUND:				
16103937	451590	Transfer from General Fund		18,050
16577367	508181	Physical Plant Expansion - WPBDC Building	18,050	
Assistance with building renovations				
Total Capital Reserve Fund:			18,050	18,050
GENERAL FUND:				
01100909	490104	Advanced/Recovered Costs		242
01321102	505230	Fire Dept - Telecommunications	242	
Reimbursement from return of old cell phones				
01100908	480406	Miscellaneous - Donations/Recreation		250
01711210	506007	Recreation - Equipment & Supplies	250	
Sponsorship Fees				
01100904	441104	Fines/Forfeitures - E-Summons		137
01311085	506139	Police Dept - E-Summons Equipment	137	
Appropriate excess revenues				
01100908	480420	Miscellaneous - Donations/Senior Citizens		1,800
01714212	506016	Senior Services - Program Supplies	1,800	
Health Fair Donation				
01100909	490801	Recovered Costs - Senior Services		1,658
01714212	501300	Senior Services - Part-time Wages	1,091	
01714212	502100	Senior Services - Social Security	68	
01714212	502110	Senior Services - Medicare	16	
01714212	506049	Senior Services - Vehicle Fuels	483	
Transportation Grant - Jan. through March				
01100909	490104	Advance/Recovered Costs		5,240
01331108	501300	Sheriff/Corrections - Part-time & Temporary Wages	3,880	
01331108	502100	Sheriff/Corrections - Social Security	240	
01331108	502110	Sheriff/Corrections - Medicare	56	
01331108	506008	Sheriff/Corrections - Vehicle Equipment & Maint.	776	
01331110	506200	Sheriff/Annex - Prisoner Allowance	288	
Reimbursement from Henry County for litter pickup - Jan-March				
01102925	436142	Non-categorical Federal - US Marshals OT Grant		2,877
01311085	501200	Police Dept - Overtime	2,877	
Grant funding Oct-March				
Total General Fund:			12,204	12,204

May 8, 2018 Council Meeting

Business from the Floor – Police Chief Cassady said 285 pounds of drugs were collected during the drug take back event and thanked Drug MHC for their assistance.

Comments by Members of City Council – Vice Mayor Martin thanked the police department for their work on the drug take back.

Comments by City Manager – City Manager Towarnicki attended the Virginia First Cities meeting with Council Member Bowles and said there was a significant amount of good information shared from there. May 21 is the Northside Neighborhood meeting at Clearview Wesleyan Church. Towarnicki is working to coordinate a date for a reversion discussion. He hopes to contact someone from Bedford to share their experience during Bedford's reversion. Council Member Bowles asked Towarnicki if he could invite a community that rejected reversion to share their experience at a future meeting also.

There being no further business, Council Member Bowles made a motion to adjourn the meeting; the motion was seconded by Council Member Hodge with all Council Members voting in favor. The meeting adjourned at 9:35pm.

Karen Roberts
Clerk of Council

Gene Teague
Mayor